

Fiscal Estimate - 2009 Session

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

LRB Number 09-4055/1	Introduction Number SB-557	
Description Notices concerning construction near or on lakes, streams, or wetlands that are given to applicants for building permits and other construction approvals, requiring the Department of Natural Resources to furnish informational brochures about wetlands laws, requiring the Department of Natural Resources to provide evaluations and statements about whether certain land contains wetlands, and making an appropriation		
Fiscal Effect State: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input checked="" type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <div style="display: flex;"> <div style="width: 50%;"> <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations </div> <div style="width: 50%;"> <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues </div> </div> </div> <div style="width: 33%;"> <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <div style="display: flex; justify-content: space-around;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </div> <input type="checkbox"/> Decrease Costs </div> </div> Local: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input checked="" type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate <div style="display: flex;"> <div style="width: 50%;"> 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> <div style="width: 50%;"> 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> </div> </div> <div style="width: 33%;"> 5. Types of Local Government Units Affected <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> Towns <input type="checkbox"/> Counties <input type="checkbox"/> School Districts </div> <div style="width: 33%;"> <input type="checkbox"/> Village <input type="checkbox"/> Others <input type="checkbox"/> WTCS Districts </div> <div style="width: 33%;"> <input type="checkbox"/> Cities </div> </div> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div> Fund Sources Affected <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS </div> <div> Affected Ch. 20 Appropriations </div> </div>		
Agency/Prepared By COMM/ Debra Miller (608) 266-8603	Authorized Signature Louie Cornelius (608) 266-8629	Date 3/2/2010

Fiscal Estimate Narratives
COMM 3/2/2010

LRB Number	09-4055/1	Introduction Number	SB-557	Estimate Type	Original
Description Notices concerning construction near or on lakes, streams, or wetlands that are given to applicants for building permits and other construction approvals, requiring the Department of Natural Resources to furnish informational brochures about wetlands laws, requiring the Department of Natural Resources to provide evaluations and statements about whether certain land contains wetlands, and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

2009 SB 557 contains provisions that allow persons who own or lease land to request certain services regarding wetlands (e.g., wetland map review). These services are provided by the Department of Natural Resources.

2009 SB 557 also contains provisions regarding forms for approval of construction activity. Specifically, building permits prescribed by the Department must contain information notifying building permit applicants that they must comply with state and federal laws regarding construction near wetlands, lakes, and streams. The Department estimates that the workload resulting from 2009 SB 557 would involve the updating of the prescribed, standard building permit form (which the Department has for residential construction) and that this workload can be absorbed within current resources.

Local units of government would also be required to include language regarding compliance with state and federal laws regarding construction near wetlands, lakes and stream on any building permits issued and also on other forms required for approval of construction activity. Additionally, local units of government must obtain written acknowledgement of the notification from each applicant, unless the form utilized is a standard Department form. Department-prescribed forms are utilized by local units of government for residential construction, but not commercial construction. The Department anticipates that local units of government can also absorb the workload resulting from this legislation within current resources.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

LRB Number 09-4055/1	Introduction Number SB-557						
Description Notices concerning construction near or on lakes, streams, or wetlands that are given to applicants for building permits and other construction approvals, requiring the Department of Natural Resources to furnish informational brochures about wetlands laws, requiring the Department of Natural Resources to provide evaluations and statements about whether certain land contains wetlands, and making an appropriation							
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):							
II. Annualized Costs:							
	Annualized Fiscal Impact on funds from:						
	Increased Costs Decreased Costs						
A. State Costs by Category							
State Operations - Salaries and Fringes	\$0						
(FTE Position Changes)	(0.0 FTE)						
State Operations - Other Costs	0						
Local Assistance	0						
Aids to Individuals or Organizations	0						
TOTAL State Costs by Category	\$0						
B. State Costs by Source of Funds							
GPR	0						
FED	0						
PRO/PRS	0						
SEG/SEG-S	0						
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)							
	Increased Rev Decreased Rev						
GPR Taxes	\$0						
GPR Earned	0						
FED	0						
PRO/PRS	0						
SEG/SEG-S	0						
TOTAL State Revenues	\$0						
NET ANNUALIZED FISCAL IMPACT							
	State Local						
NET CHANGE IN COSTS	\$0						
NET CHANGE IN REVENUE	\$0						
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;">Agency/Prepared By</td> <td style="width: 40%;">Authorized Signature</td> <td style="width: 20%;">Date</td> </tr> <tr> <td>COMM/ Debra Miller (608) 266-8603</td> <td>Louie Cornelius (608) 266-8629</td> <td>3/2/2010</td> </tr> </table>		Agency/Prepared By	Authorized Signature	Date	COMM/ Debra Miller (608) 266-8603	Louie Cornelius (608) 266-8629	3/2/2010
Agency/Prepared By	Authorized Signature	Date					
COMM/ Debra Miller (608) 266-8603	Louie Cornelius (608) 266-8629	3/2/2010					

Fiscal Estimate - 2009 Session

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

LRB Number 09-4055/1	Introduction Number SB-557	
Description Notices concerning construction near or on lakes, streams, or wetlands that are given to applicants for building permits and other construction approvals, requiring the Department of Natural Resources to furnish informational brochures about wetlands laws, requiring the Department of Natural Resources to provide evaluations and statements about whether certain land contains wetlands, and making an appropriation		
Fiscal Effect State: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input checked="" type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations </div> <div style="width: 33%;"> <input checked="" type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues </div> <div style="width: 33%;"> <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <div style="display: flex; justify-content: space-around;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </div> <input type="checkbox"/> Decrease Costs </div> </div> Local: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input checked="" type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate <div style="display: flex;"> <div style="width: 50%;"> 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> <div style="width: 50%;"> 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> </div> </div> <div style="width: 33%;"> 5. Types of Local Government Units Affected <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> Towns <input type="checkbox"/> Counties <input type="checkbox"/> School Districts </div> <div style="width: 33%;"> <input type="checkbox"/> Village <input type="checkbox"/> Others <input type="checkbox"/> WTCS Districts </div> <div style="width: 33%;"> <input type="checkbox"/> Cities </div> </div> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div> Fund Sources Affected <input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.370 (4)(bi) </div> <div> Affected Ch. 20 Appropriations </div> </div>		
Agency/Prepared By DNR/ Joe Polasek (608) 266-2794	Authorized Signature Joe Polasek (608) 266-2794	Date 3/22/2010

Fiscal Estimate Narratives

DNR 3/22/2010

LRB Number	09-4055/1	Introduction Number	SB-557	Estimate Type	Original
Description Notices concerning construction near or on lakes, streams, or wetlands that are given to applicants for building permits and other construction approvals, requiring the Department of Natural Resources to furnish informational brochures about wetlands laws, requiring the Department of Natural Resources to provide evaluations and statements about whether certain land contains wetlands, and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

The bill has four major components:

1. It requires DNR to provide, for a fee, a wetland map review (Tier 1), a wetland identification (Tier 2), or a wetland confirmation (Tier 3) upon request by a person who owns or leases land. The Department shall charge \$50 for a wetland map review and \$300 for a wetland identification or confirmation.
2. It requires a county or municipality that issues a building permit or other approval for construction activity to give an applicant a written notice about construction near wetlands and that the applicant is responsible for complying with state or federal laws regarding construction near wetlands, lakes and streams.
3. It requires the Department of Commerce to include a written notice about construction near wetlands on its building permit forms.
4. It requires DNR to furnish informational brochures to counties and municipalities for distribution to the public that describe the laws that apply to wetlands.

Assumptions:

1. The Department expects to receive no requests for the wetland map review service (Tier 1) and therefore, no revenue. This assumption is based on the lack of wetland inventory order requests since 2008, when DNR made wetland inventory and wetland indicator maps available to the public on-line at no cost.

2. The Department estimates that it will receive 500 on-site requests (Tier 2 and Tier 3), based on 2009 data from our Waterway and Wetland Permit Database, which would generate an estimated \$150,000 of fee revenue (500 x \$300). Based upon the State of Michigan's experience with implementation of a similar program, the Department estimates that 50% of the on-site requests will be for wetland identifications (Tier 2) and the other 50% of the on-site requests will be for confirmation of a wetland boundary determination by a 3rd party (Tier 3).

3. The bill provides for 4.0 FTE to administer the program. Three of the FTE will be 4-year project positions that the Department expects to classify as Water Resources Management Specialists assuming a salary and fringe of \$29.00 per hour. This translates to \$60,300 in salary and fringe expenses for each position, for a total of \$180,900. The other FTE will be a permanent position that the Department expects to classify as a Natural Resources Program Coordinator assuming a salary and fringe of \$35.00 per hour. This translates to \$72,800 in salary and fringe expenses for the position. Supplies expenses are estimated at \$30,400 and LTE expenses are estimated at \$29,200 for GIS data management services. Therefore, total ongoing program costs are estimated at \$313,300.

Total one-time program cost are estimated at \$94,700, which includes \$44,700 for 5 computers and software (4 FTE and 1 LTE for required WWI map update), \$45,000 for survey equipment and \$5,000 for color printers.

4. The Department anticipates very minimal fiscal effect on local governments. Local governments have the option of using the wetland notification language required by the bill on the Department of Commerce standard permit application form. Additionally, the Department is required to provide local governments with informational brochures to give to their applicants related to state and federal wetland protection laws.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

LRB Number 09-4055/1	Introduction Number SB-557
Description Notices concerning construction near or on lakes, streams, or wetlands that are given to applicants for building permits and other construction approvals, requiring the Department of Natural Resources to furnish informational brochures about wetlands laws, requiring the Department of Natural Resources to provide evaluations and statements about whether certain land contains wetlands, and making an appropriation	
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): One-time costs of \$44,700 for computers, \$45,000 for surveying equipment, \$5,000 for color printers, for an overall total of \$94,700.	
II. Annualized Costs:	Annualized Fiscal Impact on funds from:
	Increased Costs Decreased Costs
A. State Costs by Category	
State Operations - Salaries and Fringes	\$253,700
(FTE Position Changes)	(4.0 FTE)
State Operations - Other Costs	59,600
Local Assistance	
Aids to Individuals or Organizations	
TOTAL State Costs by Category	\$313,300
B. State Costs by Source of Funds	
GPR	
FED	
PRO/PRS	313,300
SEG/SEG-S	
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	
	Increased Rev Decreased Rev
GPR Taxes	\$
GPR Earned	
FED	
PRO/PRS	150,000
SEG/SEG-S	
TOTAL State Revenues	\$150,000
NET ANNUALIZED FISCAL IMPACT	
	State Local
NET CHANGE IN COSTS	\$313,300
NET CHANGE IN REVENUE	\$150,000
Agency/Prepared By	
DNR/ Joe Polasek (608) 266-2794	
Authorized Signature	
Joe Polasek (608) 266-2794	
Date	
3/22/2010	

Fiscal Estimate - 2009 Session

☒ Original ☐ Updated ☐ Corrected ☐ Supplemental

LRB Number 09-4055/1		Introduction Number SB-557	
Description Notices concerning construction near or on lakes, streams, or wetlands that are given to applicants for building permits and other construction approvals, requiring the Department of Natural Resources to furnish informational brochures about wetlands laws, requiring the Department of Natural Resources to provide evaluations and statements about whether certain land contains wetlands, and making an appropriation			
Fiscal Effect			
State:			
<input checked="" type="checkbox"/> No State Fiscal Effect			
<input type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Decrease Costs	
Local:			
<input type="checkbox"/> No Local Government Costs			
<input checked="" type="checkbox"/> Indeterminate			
1. <input type="checkbox"/> Increase Costs		3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected			
<input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities			
<input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others			
<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts			
Fund Sources Affected		Affected Ch. 20 Appropriations	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS			
Agency/Prepared By		Authorized Signature	
DOR/ Daniel Huegel (608) 266-5705		Paul Ziegler (608) 266-5773	
		Date	
		3/16/2010	

Fiscal Estimate Narratives

DOR 3/16/2010

LRB Number	09-4055/1	Introduction Number	SB-557	Estimate Type	Original
Description Notices concerning construction near or on lakes, streams, or wetlands that are given to applicants for building permits and other construction approvals, requiring the Department of Natural Resources to furnish informational brochures about wetlands laws, requiring the Department of Natural Resources to provide evaluations and statements about whether certain land contains wetlands, and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

Under the bill, a town, village, city, or county that issues a building permit or other approval for construction activity must include the following language (quoting from the bill):

YOU ARE RESPONSIBLE FOR COMPLYING WITH STATE AND FEDERAL LAWS CONCERNING CONSTRUCTION NEAR OR ON WETLANDS, LAKES, AND STREAMS. WETLANDS THAT ARE NOT ASSOCIATED WITH OPEN WATER CAN BE DIFFICULT TO IDENTIFY. FAILURE TO COMPLY MAY RESULT IN REMOVAL OR MODIFICATION OF CONSTRUCTION THAT VIOLATES THE LAW OR OTHER PENALTIES OR COSTS. FOR MORE INFORMATION, VISIT THE DEPARTMENT OF NATRURAL RESOURCES WETLANDS IDENTIFICATION WEB PAGE OR CONTACT A DEPARTMENT OF NATURAL RESOURCES SERVICE CENTER.

Any town, village, city, or county that issues building permits or other approvals for construction activity will need to print new forms to include the above noted statements. The Department of Revenue (DOR) does not have information which permits a reasonable estimate of the one-time costs that local governments would incur to change these forms.

The bill has no effect on DOR administrative costs.

Long-Range Fiscal Implications